

D/OPE 1

THE WHITE HOUSE

WASHINGTON

25X1

NSC

TOP SECRET/ -XCDS2

November 30, 1977

MEMORANDUM FOR:

The Secretary of State
The Secretary of Treasury
The Secretary of Defense
The Acting Director, Office of Management and Budget
The Director, Arms Control and Disarmaments Agency
The Chairman, Joint Chiefs of Staff
The Director of Central Intelligence

SUBJECT: Policy Review Committee Minutes

Attached are the minutes of the November 18, 1977 PRC meeting to review the NFIP budget in relationship to capabilities requirements and priorities.

Z. Brzezinski

Zbigniew Brzezinski

Attachment

TOP SECRET/ -XCDS2
Classified by: Z. Brzezinski

25X1

NSC

POLICY REVIEW COMMITTEE MEETING

November 18, 1977

Time and Place: 10:00 - 11:30, White House Situation Room

Subject: Review of National Foreign Intelligence Program
(NFIP) Budget in Relationship to Capabilities,
Requirements, and Priorities

Participants:

CIA

Stansfield Turner (Chairman)
John McMahon
Dr. Robert Bowie

JCS

General George S. Brown
General William Y. Smith

OMB

R. Bowman Cutter
Randy Jayne

ACDA

Spurgeon Keeny

State

Cyrus Vance
Hal Saunders

Defense

Harold Brown
Charles Duncan
Dr. William J. Perry

Treasury

Robert Carswell
Foster Collins

NSC

Zbigniew Brzezinski
David Aaron
Samuel Hoskinson
Robert Rosenberg

SUMMARY OF CONCLUSIONS

The DCI presented a review of the FY79 NFIP budget in broad terms pointing out that his request was [] the FY79 guidance, at million.

TOP SECRET [] XGDS2
Classified by: []

25X1

NSC

25X1

NSC

25X1

25X1

NSC

TOP SECRET

NSC

25X1

The DCI then led discussions over the National Reconnaissance Program Imaging Systems Mix and SIGINT System Mix.

The following significant conclusions arose during the discussion:

1. The PRC concluded that for the next year it should be involved much earlier in the process of formulating requirements and priorities so that the budget could be driven by consumer requirements rather than the Intelligence Community itself. The National Security Advisor suggested that this particular meeting should be the beginning of guidance for next year's budget, and further meetings should be held on a timely basis as budget preparation progressed. The DCI opined that this would be achieved next year by the requirement in the *Presidential Decision on Intelligence reorganization* that the PRC provide direction to the DCI on intelligence requirements.
2. Concern was expressed over the quality and level of analytical production, particularly on political and economic topics. It was pointed out by the DCI that the producers had requested very little money that was not funded, but there was agreement that it should be restored and that there should be a specific long-term program to improve production. The DCI agreed to develop such a program for the PRC to review as soon as possible.
3. The SECDEF expressed concern about the priority accorded national tactical or operational military needs. The DCI emphasized that operational commanders were looked on as major customers, but had to be supported in balance with others. The DCI pointed out that tactical needs could not be neglected by the DCI because what is most often a tactical requirement can very suddenly become a very high national priority of immediate interest to the President. The SECDEF suggested that military intelligence needs not compete with national needs, but rather be traded off against force structure in non-intelligence portions of the Defense budget. He thought Defense funds might be applied to some NFIP programs, but was concerned that these funds be "fenced" against reprogramming to some other part of the NFIP.

4.

25X1

NSC

TOP SECRET

-XGDS2

2

25X1

NSC

Page Denied

LOG NO: 3745

~~ER~~

Joanne

~~MR~~

~~RM~~

2, AQ

~~MR~~

Destroy

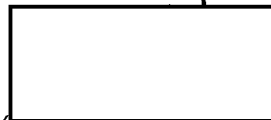
CY TO: _____

SENT : _____

FILE : PRC(I)

NNTC

NOTES:




25X1

Make y for
w/ my note

DONE JH

INTELLIGENCE COMMUNITY STAFF

Walt

On reading, this
sure don't sound
like Mr. Mahon's name
on the meeting - but
 says not all
that bad. So - - - -

25X1

Red

INFORMATION